

IN THE CHANCERY COURT OF HICKMAN COUNTY, TENNESSEE

GREG GONZALES, In his official)	
capacity as Commissioner-In-)	
Possession of Sentinel Trust Company)	
and Receivership Management, Inc.,)	
Receiver of Sentinel Trust Company,)	
)	
Plaintiffs,)	No. 4980
)	
v.)	
)	
)	
)	
DANNY N. BATES, et al.,)	
)	
Defendants.)	
)	

**PLAINTIFFS' REPLY TO DANNY N. BATES' OBJECTION TO MOTION FOR
ORDER OF SALE AND ATTENDANT RELIEF**

This filing is Plaintiffs' Reply to Danny N. Bates' Objection to Plaintiffs' Motion for Order of Sale and Attendant Relief. Danny N. Bates first objects to the Motion because the Plaintiffs request that the Subject Property not be sold at a sheriff's auction. But nowhere does Mr. Bates contest that more funds could be realized from a sale resulting from commercial marketing of the properties as opposed to a sheriff's auction. Clearly, it is in the best interest of the Sentinel Trust Receivership Estate and its claimants for as much as possible to be realized from the sale of the Subject Properties. Interestingly, Mr. Bates objects to that. Respectfully, the relief requested of allowing sale of the Subject Properties outside the sheriff's or clerk's "auction sale process" should be granted.

Mr. Bates also objects that he should not have to sign anything to effect any transfer of the Subject Properties because under T.C.A. §16-1-108, the Court, on its own

order, can divest and vest title to property which it has jurisdiction to sell. However, it is equally true that this Court can order Mr. Bates to be part of that process. See 11 Tenn. Jur. P., Equity §102 (p. 114) and T.C.A. §16-1-108 (which by stating that the Court could vest or divest property through its own order instead of ordering the parties to do so, clearly acknowledges the power of the Court to order Mr. Bates to take all reasonable actions to divest himself of the Subject Properties).

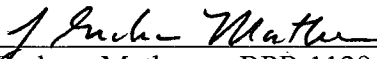
Finally, Mr. Bates objects to the Plaintiffs' Motion because he maintains that the marital rights of Ms. Bates in the Subject Properties have not been addressed by the Plaintiffs. With all due respect to Mr. Bates, not only have the alleged marital rights of Ms. Bates been addressed by the Plaintiffs, but those alleged rights have been ruled upon and disposed of through Final Order of this Court. As this Court is well aware, Plaintiffs' December 23, 2009 Motion for Summary Judgment sought judgment that the Subject Properties had been fraudulently transferred from Danny N. Bates to others including, Ms. Bates. Ms. Bates' January 22, 2010 response¹ to Plaintiffs' Motion for Summary Judgment did raise her assertion of marital interest in the Subject Properties. Ms. Bates' January 22, 2010 filing at ¶¶9-11. Plaintiffs' February 16, 2010 Reply Brief replied to the marital interest argument. Plaintiffs' February 16, 2010 Reply at pp. 11-14. The Court's Memorandum Order, issued on April 7, 2010, found that fraudulent transfers of the Subject Properties had occurred and that such transfers would be set aside and full title would be placed back in Danny N. Bates name, which implicitly rejected Ms. Bates "marital interest" argument. That April 7, 2010 Memorandum and Order was made final

¹ On January 22, 2010, Ms. Bates filed a "Motion to Dismiss Plaintiffs' Motion for Summary Judgment and Response to Plaintiffs' Statement of Undisputed Facts." The same filing with various non-substantive corrections was also filed by Ms. Bates on February 10, 2010. This filing was considered as Ms. Bates' response in opposition to Plaintiffs' Motion for Summary Judgment.


as to Mr. Bates and Ms. Bates by Final Order entered by the Court on May 27, 2010. And neither Mr. Bates nor Ms. Bates filed a Notice of Appeal. Therefore and respectfully, Ms. Bates does not have a "marital interest" argument to make anymore.

Accordingly, Danny N. Bates has presented in his Objection no reason to deny Plaintiffs' Motion for Order of Sale and Attendant Relief. Said Motion is well founded and requests relief in the best interest of the Sentinel Trust Receivership Estate and its claimants, and should, therefore, be granted.

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing has been served upon the following, via U.S. Mail and by Federal Express as noted, on this the 27th day of July, 2010.

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